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UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MONTANA

INCREDIBLE AUTO SALES, LLC,)	Bankruptcy No. 06-60855-RBK
)	
Debtor.)	HMFC'S DESIGNATION OF
)	RECORD AND STATEMENT OF
)	ISSUES ON APPEAL
)	
)	

Secured Creditor Hyundai Motor Finance Company ("HMFC"), Appellant in this matter,
hereby submits the following Designation of Record and Statement of Issues on Appeal,
pursuant to Rule 8006, Fed. R. Bankr.:

DESIGNATION OF RECORD

For the record on this appeal, HMFC designates the following pleadings and transcripts:

Filing Date	#	Docket Text
10/17/2006	<u>1</u>	Chapter 11 Voluntary Petition . Receipt Number CC, Fee Amount \$1039 Filed by Incredible Auto Sales LLC. Chapter 11 Plan due by 2/14/2007. Disclosure Statement due by 2/14/2007. All Schedules, Summary of Schedules & Statement of Financial Affairs Due 11/1/2006. Statement of Financial Affairs due

		11/1/2006. Summary of schedules due 11/1/2006. Incomplete Filings due by 11/1/2006. (NEEDLER, WILLIAM) (Entered: 10/17/2006)
11/03/2006	<u>38</u>	List of Exhibits for Upcoming 11/06/2006 Hearing. Filed by HYUNDAI MOTOR FINANCE CO. (Attachments: # <u>1</u> Exhibit EXHIBITS 1 TO 6) (COLEMAN, SHANE) (Entered: 11/03/2006)
11/07/2006	<u>50</u>	Record of Exhibits INTRODUCED 11/06/06. (Myers, Lynn) (Entered: 11/07/2006)
11/17/2006	<u>67</u>	Motion to Modify Stay Receipt Number CC, Fee Amount \$150 Filed by Creditor STEVE'S AUTO SALES INC. Objection Due by 11/27/2006. (Attachments: # <u>1</u> EXHIBITS A THROUGH G) (PATTEN, JAMES) (Entered: 11/17/2006)
11/20/2006	<u>72</u>	Order Setting Hearing Signed on 11/20/2006 (related documents(s) <u>67</u> Motion to Modify Stay filed by Steve's Auto Sales <u>70</u> Motion to Appoint Trustee filed by Hyundai Motor Finance Co <u>69</u> Motion to Modify Stay filed by Hyundai Motor Finance Co <u>66</u> Motion to Enter Order Approving Cash Collateral Stipulation filed by Debtor). Hearing scheduled for 12/5/2006 at 10:00 AM at BUTTE HEARINGS 400 N MAIN ST; 2ND FL CRTRM, BUTTE, MT. (Schelin, Kathy) (Entered: 11/20/2006)
11/22/2006	<u>76</u>	Objection to (related document(s): <u>67</u> Motion to Modify Stay Receipt Number CC, Fee Amount \$150 filed by Creditor STEVE'S AUTO SALES INC) Filed by HYUNDAI MOTOR FINANCE CO (related documents(s) <u>67</u> Motion to Modify Stay (Fee Paid) filed by Creditor STEVE'S AUTO SALES INC). Hearing scheduled for 12/5/2006 at 10:00 AM (check with court for location). (COLEMAN, SHANE) (Entered: 11/22/2006)
11/27/2006	<u>83</u>	Objection to (related document(s): <u>67</u> Motion to Modify Stay Receipt Number CC, Fee Amount \$150 filed by Creditor STEVE'S AUTO SALES INC) Filed by HYUNDAI MOTOR FINANCE CO (related documents(s) <u>67</u> Motion to Modify Stay (Fee Paid) filed by Creditor STEVE'S AUTO SALES INC). Hearing scheduled for 12/5/2006 at 10:00 AM at BUTTE HEARINGS 400 N MAIN ST; 2ND FL CRTRM, BUTTE, MT. (COLEMAN, SHANE) (Entered: 11/27/2006)
11/27/2006	<u>89</u>	Objection/Response to (related document(s): <u>67</u> Motion to

		Modify Stay Receipt Number CC, Fee Amount \$150 filed by Creditor STEVE'S AUTO SALES INC) (related to motions(s) <u>67</u>) Filed by INCREDIBLE AUTO SALES LLC (related documents(s) <u>67</u> Motion to Modify Stay (Fee Paid) filed by Creditor STEVE'S AUTO SALES INC). Hearing scheduled for 12/5/2006 at 10:00 AM at BUTTE HEARINGS 400 N MAIN ST; 2ND FL CRTRM, BUTTE, MT. (NEEDLER, WILLIAM) (Entered: 11/27/2006)
11/29/2006	<u>93</u>	List of Witnesses for Upcoming 12/5/06 Hearing. Filed by STEVE'S AUTO SALES INC. (PATTEN, JAMES) (Entered: 11/29/2006)
11/29/2006	<u>94</u>	List of Exhibits for Upcoming 12/5/06 Hearing. Filed by STEVE'S AUTO SALES INC. (Attachments: # <u>1</u> EXHIBITS 1 THROUGH 7) (PATTEN, JAMES) (Entered: 11/29/2006)
11/30/2006	<u>97</u>	List of Exhibits for Upcoming 12/5/06 Hearing. Filed by STEVE'S AUTO SALES INC. (Attachments: # <u>1</u> EXHIBITS 1 THROUGH 7) (PATTEN, JAMES) (Entered: 11/30/2006)
11/30/2006	<u>98</u>	Certificate of Service Filed by STEVE'S AUTO SALES INC (related documents(s) <u>93</u> List of Witnesses filed by Creditor STEVE'S AUTO SALES INC, <u>94</u> List of Exhibits filed by Creditor STEVE'S AUTO SALES INC). (PATTEN, JAMES) (Entered: 11/30/2006)
11/30/2006	<u>99</u>	List of Witnesses for Upcoming 12/5/06 Hearing. Filed by HYUNDAI MOTOR FINANCE CO. (COLEMAN, SHANE) (Entered: 11/30/2006)
11/30/2006	<u>100</u>	List of Exhibits for Upcoming 12/5/06 Hearing. Filed by HYUNDAI MOTOR FINANCE CO. (Attachments: # <u>1</u> Exhibit 1-7# <u>2</u> Exhibit 8-12# <u>3</u> Exhibit 13-22# <u>4</u> Exhibit 23-1 through 23-10# <u>5</u> Exhibit 23-11 through 23-20# <u>6</u> Exhibit 23-21 through 23-30# <u>7</u> Exhibit 23-31 through 23-35) (COLEMAN, SHANE) (Entered: 11/30/2006)
12/04/2006	<u>109</u>	List of Exhibits for Upcoming 12/5/06 Hearing. Filed by STEVE'S AUTO SALES INC. (Attachments: # <u>1</u> EXHIBITS 1 THROUGH 8) (PATTEN, JAMES) (Entered: 12/04/2006)
12/05/2006		Minutes of Hearing Held; Appearances by WILLIAM NEEDLER, CLARKE RICE, SHANE COLEMAN,

		<p>CHRISTOPHER BIRKLE, DAN MCKAY, JAMES PATTEN, BRUCE FAIN AND CHARLES HINGLE. WITNESSES: DERRICK STEVENS, DALE UENO, KEN CORNELISON. 1) DEBTOR WITHDRAWS OBJECTION TO MOTION OF STEVE'S AUTO SALES TO MODIFY STAY; MOTION CONTINUED TO 12/12/06 UNLESS SUBMITTED BY DEPOSITION, STIPULATED FACTS AND BRIEFS; 2) ADV 06-119 TRIAL TO BE HELD ON 02/26/07 @ 1:00 P.M. IN BILLINGS; AMENDMENT TO PLEADINGS DUE 12/15/06; EXPERT WITNESSES & REPORT TO PARTIES SIMULTANEOUS SUBMISSION BY 01/12/07; DISCOVERY DEADLINE 01/31/07; ADR MEDIATION COMPLETED BY 02/16/07; PRETRIAL MOTIONS 02/16/07; EXHIBIT AND WITNESS LISTS DUE BY 02/20/07; PRETRIAL ORDER DUE BY 02/20/07; AND PRETRIAL MEMORANDUMS 02/22/07; 3) CASH COLLATERAL TO 12/21/06 TO BE RESOLVED BY THE COURT; THE COURT TO LISTEN TO THE TRANSCRIPT AND ISSUE APPROPRIATE ORDER; 4) MOTION FOR USE OF CASH COLLATERAL FILED ON 12/03/06 TO BE HELD ON 12/19/06 @ 9:00 A.M.; 5) JOINT MOTION OF HYUNDAI AND SOUTH SEATTLE AUTO SALES FILED ON 12/04/06 IS GRANTED; 6) AS IT RELATES TO CARS BOUGHT THRU THE AUCTIONS GIVE THEM BACK TO THE RESPECTIVE AUCTION COMPANIES TO SELL; COORDINATE WITH MR CORNELISON FOR REMOVAL OF CARS; 7) MOTION OF STEVE'S AUTO SALES TO MODIFY STAY IS GRANTED IN LIMITED PART AS TO CARS BEING RETURNED TO STEVE'S; 8) AUTO AUCTION ASSOCIATES TO FILE STIPULATION AS TO MOTION TO MODIFY STAY. Modified on 12/5/2006 (Myers, Lynn). (Entered: 12/05/2006)</p>
12/05/2006	<u>114</u>	Record of Exhibits INTRODUCED 12/05/06. (Myers, Lynn) (Entered: 12/05/2006)
12/07/2006	<u>117</u>	<p>Ordered STAY IS MODIFIED TO PERMIT STEVE'S AUTO SALES, INC. TO TAKE POSSESSION OF AND SELL: 2004 CHEVROLET CAVALIER, 2007 DODGE CALIBER, 2003 DODGE STRATUS, 2005 KIA SPECTRA, 2002 MERCURY SABLE, 2006 PONTIAC G6 AND 2005 SUZUKI FORENZA Signed on 12/7/2006 (related documents(s) <u>67</u> Motion to Modify Stay filed by Creditor STEVE'S AUTO SALES INC). (Schelin, Kathy) (Entered: 12/07/2006)</p>
12/07/2006	<u>118</u>	Order Setting Hearing Signed on 12/7/2006 (related

		documents(s) <u>67</u> Motion to Modify Stay filed by Creditor STEVE'S AUTO SALES INC, <u>83</u> Objection filed by Creditor HYUNDAI MOTOR FINANCE CO). Hearing scheduled for 12/12/2006 at 10:00 AM at BILLINGS HEARINGS 316 N 26TH ST, 5TH FL CRTRM, BILLINGS, MT. (Schelin, Kathy) (Entered: 12/07/2006)
12/12/2006		Minutes of Hearing Held; Appearances by JAMES PATTEN, CHRISTOPHER BIRKLE AND SHANE COLEMAN. 1) DEPOSITION OF MR. MARKS HAS BEEN TAKEN; STIPULATION TO BE FILED TODAY OR TOMORROW; FIVE DAYS THEREAFTER FOR PATTEN TO FILE BRIEF AND FIVE DAYS THEREAFTER FOR COLEMAN TO FILE RESPONSE; 2) HYUNDAI WITHDRAWS OBJECTION TO TWO VEHICLES; MOTION GRANTED AS TO THOSE TWO VEHICLES. (Myers, Lynn) (Entered: 12/12/2006)
12/12/2006	<u>132</u>	Ordered THE STAY IS MODIFIED TO PERMIT STEVE'S AUTO SALES, INC. TO PURSUE ITS NON-BANKRUPTCY REMEDIES WITH RESPECT TO A 2003 DODGE STRATUS-EXHIBIT C AND 2005 KIA SPECTRA-EXHIBIT D. THIS PORTION OF THE ORDER IS EFFECTIVE IMMEDIATELY AND NOT STAYED FOR TEN DAYS. IT IS FURTHER ORDERED THAT THE PARTIES SHALL HAVE THROUGH 12/13/06 TO FILE A COPY OF THE TRANSCRIPT FROM STEVE MARK'S TESTIMONY; STEVE'S AUTO SALES, INC. SHALL HAVE THROUGH 12/19/06 TO FILE A BRIEF IN SUPPORT OF ITS RESPECTIVE POSITION ON THE MOTION FOR RELIEF FROM THE AUTOMATIC STAY; AND HYUNDAI MOTOR FINANCE COMPANY SHALL HAVE THROUGH 12/26/06 TO FILE A BRIEF IN SUPPORT OF ITS RESPECTIVE POSITION ON THE PENDING MOTION FOR RELIEF FROM THE AUTOMATIC STAY Signed on 12/12/2006 (related documents(s) <u>67</u> Motion to Modify Stay filed by Creditor STEVE'S AUTO SALES INC). (Schelin, Kathy) (Entered: 12/12/2006)
12/13/2006	<u>136</u>	Statement of Facts <i>STEVE MARKS DEPOSITION TRANSCRIPT</i> Filed by STEVE'S AUTO SALES INC (related documents(s) <u>132</u> Order (Generic), Order (Generic), Order (Generic), Order (Generic)). (PATTEN, JAMES) (Entered: 12/13/2006)
12/19/2006	<u>150</u>	Memorandum <i>OF STEVE'S AUTO SALES IN SUPPORT OF MOTION FOR RELIEF FROM THE STAY</i> Filed by STEVE'S

		AUTO SALES INC. (PATTEN, JAMES) (Entered: 12/19/2006)
12/26/2006	<u>164</u>	Response to (related document(s): <u>67</u> Motion to Modify Stay Receipt Number CC, Fee Amount \$150 filed by Creditor STEVE'S AUTO SALES INC) <i>Response Memorandum in Opposition to Steve's Auto Sales' Motion for Relief from the Stay</i> (related to motions(s) <u>67</u>) Filed by HYUNDAI MOTOR FINANCE CO (related documents(s) <u>67</u> Motion to Modify Stay (Fee Paid) filed by Creditor STEVE'S AUTO SALES INC). (Attachments: # <u>1</u> Affidavit Dale Ueno) (COLEMAN, SHANE) (Entered: 12/26/2006)
01/12/2007	<u>181</u>	Memorandum of Decision. (related documents(s) <u>67</u> Motion to Modify Stay (Fee Paid) filed by Creditor STEVE'S AUTO SALES INC). (Cunningham, Pamela) (Entered: 01/12/2007)
01/12/2007	<u>182</u>	Order Granting Motion to Modify Stay of STEVE'S AUTO SALES INC. AND THIS ORDER IS EFFECTIVE IMMEDIATELY AND SHALL NOT BE STAYED FOR 10 DAYS. (Related Doc # <u>67</u>) Signed on 1/12/2007. (Cunningham, Pamela) (Entered: 01/12/2007)
01/22/2007	<u>233</u>	Notice of Appeal <i>ORDER GRANTING MOTION TO MODIFY STAY FILED BY STEVES AUTO SALES INC.</i> Receipt Number CC, Fee Amount \$255. Filed by Creditor HYUNDAI MOTOR FINANCE CO (related documents(s) <u>182</u> Order on Motion to Modify Stay (Fee Paid)). Appellant Designation due by 2/1/2007. (COLEMAN, SHANE) (Entered: 01/22/2007)
01/22/2007	<u>234</u>	Election of Appeal to District Court Filed by Creditor HYUNDAI MOTOR FINANCE CO (related documents(s) <u>233</u> Notice of Appeal, filed by Creditor HYUNDAI MOTOR FINANCE CO). (COLEMAN, SHANE) (Entered: 01/22/2007)
01/23/2007	<u>236</u>	Notice of Referral of Appeal to District Court Filed by (related documents(s) <u>233</u> Notice of Appeal, filed by Creditor HYUNDAI MOTOR FINANCE CO). (Attachments: # <u>1</u> JUDICIAL ORDER)(Schelin, Kathy) (Entered: 01/23/2007)
01/23/2007	<u>237</u>	Transmittal Memorandum to District Court Filed by (related documents(s) <u>233</u> Notice of Appeal, filed by Creditor HYUNDAI MOTOR FINANCE CO). (Schelin, Kathy) (Entered: 01/23/2007)

Transcripts of Hearings dated 12/5/2006 (Butte) and 11/6/2006 (Billings).

STATEMENT OF ISSUES

1. Whether the Bankruptcy Court erred in granting the Motion for Relief from Stay filed by Steve's Auto Sales.
2. Whether the Bankruptcy Court erred in its legal conclusion that the Debtor did not acquire rights in the Subject Vehicles that were at issue in that Motion.
3. Whether the Bankruptcy Court erred in its legal conclusion that HFMC's security interest did not attach to the Subject Vehicles.
4. Whether the Bankruptcy Court erred in its legal conclusion that the claim of Steve's Auto Sales to the Subject Vehicles is superior to HMFC's interest.

Dated this 1st day of February, 2007.

/s/ Shane P. Coleman
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CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of February, 2007, I served a true and correct copy of the foregoing, addressed as follows and by the method shown below:

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